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February 16, 2007

D. Duke

SA

Date: 2/20/07

Time: _____

The Honorable Charles L. A. Terreni
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: Docket No. 2006-37-C
Petition of ORS for a Rule-Making Proceeding to Examine the
Requirements of Standards to be used by the Commission when
Evaluating Applications for ETC Status and when making Annual
Certification of ETC Compliance to the FCC

Dear Mr. Terreni:

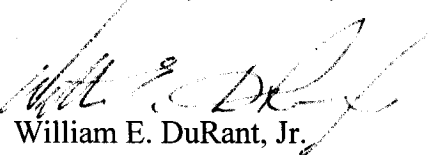
Please find enclosed herein original and two copies of Comments of Farmers Telephone Cooperative, Inc. to Commission Directive in response to the Office of Regulatory Staff's Petition in the above referenced matter. I would appreciate your filing the Comments and returning a clocked copy of the same to me in the self-addressed, stamped envelope provided for your convenience.

By copy of this letter, I am serving all parties of record with a copy of the Comments as indicated on the attached Certificate of Service.

With kindest regards, I am

Sincerely yours,

SCHWARTZ, McLEOD, DuRANT & JORDAN


William E. DuRant, Jr.

WEDjr/pt

CC: Nanette S. Edwards, Esquire, Office of Regulatory Staff

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BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2006-37-C

IN RE:

Petition of the Office of Regulatory Staff for)
A Rule-Making Proceeding to Examine the)
Requirements and Standards to be Used by)
The Commission When Evaluating Applica-)
tions for Eligible Telecommunications)
Carrier (ETC) Status and When Making)
Annual Certification of ETC Compliance to)
the Federal Communications Commission)

COMMENTS OF
FARMERS TELEPHONE
COOPERATIVE, INC.
TO
COMMISSION DIRECTIVE

Pursuant to the South Carolina Public Service Commission's February 7, 2007

Commission Directive, Farmers Telephone Cooperative, Inc. (FTC) provides the following comments addressing the proposed Eligible Telecommunications Carrier (ETC) Guidelines for use in evaluating applications and when making annual certification of ETC compliance to the Federal Communications Commission.

INTRODUCTION

FTC is a rural telephone company and provides service as an incumbent wireline carrier. Additionally, it has an interest through its subsidiary in FTC Communications, Inc. which is a wireless service provider in its service area. As such, FTC has had lengthy experience in rural telecommunications on both the wireline and wireless sides. FTC respectfully submits that it is in the best interest of its consumers and South Carolinians in general that all qualified applicants, wireline and wireless be certified as Eligible Telecommunication Carriers ("ETCs"), in addition to the local incumbent telephone company, and allowed to benefit from federal universal service support in order to improve and promote the provision of universal services to South Carolina consumers.

FTC respectfully submits the following comments in response to the Commission's Directive:

I. SECTION 103-690.1.(a)(1)(B) REPORTING BY WIRELESS SERVICE PROVIDERS SHOULD BE ON A CELL SITE-BY-CELL SITE BASIS.

The proposed regulations require that each applicant –

- (B) submit a two-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis throughout its proposed designated service area. Each applicant shall demonstrate how signal quality, coverage or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; the projected start date and completion date for each improvement; the estimated amount of investment for each project that is funded by high-cost support; the specific geographic areas where the improvements will be made; and the estimated population that will be served as a result of the improvements. If an applicant believes that service improvements in a particular wire center are not needed, it must explain its basis for this determination and demonstrate how funding will otherwise be used to further the provision of supported services in that area.

It is the position of FTC that the provisions of this specific regulation should require wireless service providers to demonstrate on a cell site-by-cell site basis how they will utilize USF. This information can be presented on a cell site-by-cell site basis and the provider should submit service maps demonstrating the improvements in the propagation of its wireless service. By requiring this information from wireless providers, the Commission will ensure that a wireless carrier recipient of USF cannot improperly justify its utilization of USF by demonstrating only that it has improved service to locations where populations reside. The wireless carrier recipient of USF should be required to demonstrate the improvement of its provision of service to customers who may be mobile throughout the rural and higher cost to serve areas of the State, as well as resident population areas.

The following is a suggested modification to the beginning of Section 103-

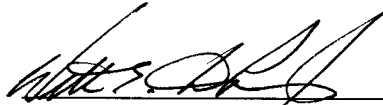
690.1.(a)(1)(B) in order to achieve this objective:

- (B) submit a two-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis, or on a cell site-by-cell site basis if the applicant is a wireless carrier, throughout its proposed designated service area. References to the evaluation of service within a "wire center" hereafter in this Part 103-690 shall mean an evaluation of the quality of the service provided in that part of the licensed service area served by a "cell site" in the event that the applicant is a wireless service provider.

CONCLUSION

FTC supports the Commission's efforts to ensure that ETC funding of all competitive providers is appropriate and in the public interest. It is our belief that the proposed modifications set forth above will better enable the Commission to make a full evaluation of the use of USF received by a wireless provider and thereby protect and promote the public interest.

Respectfully submitted,



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February 16, 2007

**Before the
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

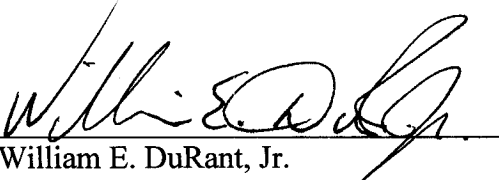
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Docket No. 2006-37-C

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this 16th day of February, 2007, one (1) copy of COMMENTS OF FARMERS TELEPHONE COOPERATIVE, INC. TO COMMISSION DIRECTIVE regarding the Petition of ORS in the above referenced docket by depositing a copy of the same in the United States Postal Service, first class postage prepaid to the following Parties of Record:

Nanette S. Edwards, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, SC 29211


William E. DuRant, Jr.

February __, 2007
Sumter, South Carolina